

CHAPTER 1089**BUSINESS ENTITIES — MISCELLANEOUS PROVISIONS***S.F. 2374*

AN ACT containing various provisions relating to business entities, including limited partnerships, corporations, limited liability companies, cooperatives, and nonprofit corporations.

Be It Enacted by the General Assembly of the State of Iowa:

**DIVISION I
LIMITED PARTNERSHIPS**

Section 1. Section 488.108, subsection 4, paragraph b, Code Supplement 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

b. A name reserved, registered, or protected as follows:

- (1) For a limited liability partnership, section 486A.1001 or 486A.1002.
- (2) For a limited partnership, this section, section 488.109, or section 488.810.
- (3) For a business corporation, section 490.401, 490.402, 490.403, or 490.1422.
- (4) For a limited liability company, section 490A.401, 490A.402, or 490A.1313.
- (5) For a nonprofit corporation, section 504.401, 504.402, 504.403, or 504.1423.

Sec. 2. Section 488.810, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A limited partnership that has been administratively dissolved may apply to the secretary of state for reinstatement ~~within two years~~ at any time after the effective date of dissolution. The application must be delivered to the secretary of state for filing and state all of the following:

Sec. 3. Section 488.810, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. ~~That if the application is received more than five years after the effective date of the dissolution, that~~ the limited partnership's name satisfies the requirements of section 488.108.

Sec. 4. Section 488.810, subsection 2, Code 2005, is amended to read as follows:

2. If the secretary of state determines that an application contains the information required by subsection 2¹ and that the information is correct, the secretary of state shall prepare a declaration of reinstatement that states this determination, sign, and file the ~~original of the~~ declaration of reinstatement, and ~~serve~~ deliver a copy to the limited partnership ~~with a copy~~.

Sec. 5. Section 488.810, Code 2005, is amended by adding the following new subsection: NEW SUBSECTION. 4. A limited partnership shall not relinquish the right to retain its name if the reinstatement is effective within five years of the effective date of the limited partnership's dissolution.

**DIVISION II
BUSINESS CORPORATIONS**

Sec. 6. Section 490.401, subsection 2, paragraph b, Code Supplement 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

b. A name reserved, registered, or protected as follows:

- (1) For a limited liability partnership, section 486A.1001 or 486A.1002.
- (2) For a limited partnership, section 488.108, 488.109, or 488.810.
- (3) For a business corporation, this section, or section 490.402, 490.403, or 490.1422.

¹ The phrase "subsection 1" probably intended

(4) For a limited liability company, section 490A.401, 490A.402, or 490A.1313.

(5) For a nonprofit corporation, section 504.401, 504.402, 504.403, or 504.1423.

Sec. 7. Section 490.502, subsection 3, Code 2005, is amended to read as follows:

3. If a registered agent changes the registered agent's business address to another place, the registered agent may change the business address and the address of the registered agent by filing a statement as required in subsection 2 for each corporation, or a single statement for all corporations named in the notice, except that it need be signed only by the registered agent or agents and need not be responsive to subsection 1, paragraph "c", and must recite that a copy of the statement has been mailed to each corporation named in the notice.

Sec. 8. Section 490.630, subsection 1, Code 2005, is amended to read as follows:

1. ~~Unless section 490.1704 is applicable to the corporation, the~~ The shareholders of a corporation do not have a preemptive right to acquire the corporation's unissued shares except to the extent the articles of incorporation so provide.

Sec. 9. Section 490.1422, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A corporation administratively dissolved under section 490.1421 may apply to the secretary of state for reinstatement ~~within two years~~ at any time after the effective date of dissolution. The application must meet all of the following requirements:

Sec. 10. Section 490.1422, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. ~~State~~ If the application is received more than five years after the effective date of dissolution, state a corporate name that satisfies the requirements of section 490.401.

Sec. 11. Section 490.1422, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. ~~(1)~~ If the secretary of state determines that the application contains the information required by subsection 1, and that a delinquency or liability reported pursuant to paragraph "a" ~~of this subsection~~ has been satisfied, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the ~~original of the certificate of reinstatement,~~ and ~~serve~~ deliver a copy ~~on to~~ to the corporation under section 490.504.

~~(2)~~ If the corporate name in subsection 1, paragraph "c", is different than the corporate name in subsection 1, paragraph "a", the certificate of reinstatement shall constitute an amendment to the articles of incorporation insofar as it pertains to the corporate name. A corporation shall not relinquish the right to retain its corporate name if the reinstatement is effective within five years of the effective date of the corporation's dissolution.

Sec. 12. Section 490.1422, subsection 4, Code 2005, is amended by striking the subsection.

Sec. 13. Section 490.1506, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. A ~~corporate~~ name reserved ~~or, registered under, or protected as provided in~~ section 490.402 or 490.403.

Sec. 14. Section 490.1701, subsection 3, paragraph a, Code Supplement 2005, is amended to read as follows:

a. The corporation shall amend or restate its articles of incorporation to indicate that the corporation adopts this chapter and to designate the address of its initial registered office and the name of its registered agent ~~or agents~~ at that office and, if the name of the corporation is

not in compliance with the requirements of this chapter, to change the name of the corporation to one complying with the requirements of this chapter.

Sec. 15. Section 534.508, subsection 1, Code 2005, is amended to read as follows:

1. IN GENERAL. Sections 490.601 through 490.604, 490.620 through 490.628, and 490.630, ~~and 490.1704~~ apply to stock associations.

Sec. 16. Sections 490.1704 and 490.1705, Code 2005, are repealed.

DIVISION III LIMITED LIABILITY COMPANIES

Sec. 17. Section 490A.121, subsections 2 and 3, Code 2005, are amended to read as follows:

2. The secretary of state files a document by ~~stamping or otherwise endorsing~~ recording it as "filed", ~~together with the secretary of state's name and official title and acknowledging the date and time of its receipt, on both the document and the receipt for the filing fee, and recording the document in the records of the secretary of state.~~ After filing a document, and except as provided in section 490A.503, the secretary of state shall deliver a copy of the filed document, with the filing fee receipt, or an acknowledgment of receipt if no fee is required, attached, the date and time of filing to the domestic or foreign limited liability company or its representative.

3. If the secretary of state refuses to file a document, the secretary of state shall return it to the domestic or foreign limited liability company or its representative ~~within ten days after the document was received by the secretary of state,~~ together with a brief, written explanation of the reason for the refusal.

Sec. 18. Section 490A.124, subsection 1, paragraphs e and f, Code 2005, are amended to read as follows:

- | | |
|--|------------------------|
| e. Application for registered name per month or part thereof | \$ 2
<u>No fee</u> |
| f. Application for renewal of registered name | \$ 20
<u>No fee</u> |

Sec. 19. Section 490A.131, subsection 1, paragraph b, Code Supplement 2005, is amended to read as follows:

b. The street ~~and mailing~~ address of its designated registered office and the name and street ~~and mailing~~ address of its registered agent ~~for service of process in this state.~~

Sec. 20. Section 490A.131, subsection 4, Code Supplement 2005, is amended to read as follows:

4. If a filed biennial report contains an address of a ~~designated registered~~ office or the name or address of ~~an a registered~~ agent ~~for service of process~~ which differs from the information shown in the records of the secretary of state immediately before the filing, the differing information in the biennial report is considered a statement of change under section 490A.502.

Sec. 21. Section 490A.131, subsection 5, Code Supplement 2005, is amended by striking the subsection.

Sec. 22. Section 490A.201, Code 2005, is amended to read as follows:

490A.201 PURPOSES.

1. A limited liability company organized under this chapter has the purpose of engaging in any lawful ~~business activity~~ unless a more limited purpose is set forth in the articles of organization.

2. A limited liability company engaging in a ~~business an activity~~ that is subject to regulation under another statute of this state may organize under this chapter only if permitted by, and subject to all limitations of, the other statute.

Sec. 23. Section 490A.305, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. Separate and distinct records are maintained for ~~the that series and~~ separate and distinct records account for the assets associated with ~~the that series are held and~~. The assets associated with a series must be accounted for separately from the other assets of the limited liability company, or from any other series of the limited liability company including another series.

Sec. 24. Section 490A.305, subsection 13, Code 2005, is amended to read as follows:

13. A foreign limited liability company that is registering authorized to do business in this state under ~~this chapter~~ subchapter XIV which is governed by an operating agreement that establishes or provides for the establishment of designated series of members, managers, or membership interests having separate rights, powers, or duties with respect to specified property or obligations of the foreign limited liability company, or profits and losses associated with the specified property or obligations, shall indicate that fact on the application for registration a certificate of authority as a foreign limited liability company. In addition, the foreign limited liability company shall state on the application whether the debts, liabilities, and obligations incurred, contracted for, or otherwise existing with respect to a particular series, if any, are enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally.

Sec. 25. Section 490A.401, subsection 3, paragraph b, Code 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

b. A name reserved, registered, or protected as follows:

- (1) For a limited liability partnership, section 486A.1001 or 486A.1002.
- (2) For a limited partnership, section 488.108, 488.109, or 488.810.
- (3) For a business corporation, section 490.401, 490.402, 490.403, or 490.1422.
- (4) For a limited liability company, this section or section 490A.402 or 490A.1313.
- (5) For a nonprofit corporation, section 504.401, 504.402, 504.403, or 504.1423.

Sec. 26. Section 490A.401, subsection 6, Code 2005, is amended to read as follows:

6. This chapter does not control the use of fictitious names; however, if a limited liability company uses a fictitious name in this state it shall deliver to the secretary of state for filing a certified copy of the resolution of ~~the limited liability company~~ filed and executed according to section 490A.120 adopting the fictitious name.

Sec. 27. Section 490A.1301, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The administrative dissolution of the limited liability company under section 490A.1312.

Sec. 28. NEW SECTION. 490A.1308 REVOCATION OF DISSOLUTION.

1. A limited liability company may revoke its dissolution within one hundred twenty days of the effective date of its articles of dissolution.

2. Revocation of dissolution must be authorized in the same manner as the dissolution was authorized unless that authorization permitted revocation by action of the managers of the limited liability company alone, in which event the managers may revoke the dissolution without member action.

3. After the revocation of dissolution is authorized, the limited liability company may revoke the dissolution by delivering to the secretary of state for filing articles of revocation of dissolution, together with a copy of its articles of dissolution, that set forth all of the following:

- a. The name of the limited liability company.

- b. The effective date of the dissolution that was revoked.
 - c. The date that the revocation of dissolution was authorized.
 - d. If members of the limited liability company unanimously revoked the dissolution, a statement to that effect.
 - e. If the managers of the limited liability company revoked a dissolution authorized by its members, a statement that revocation was permitted by action by the managers alone pursuant to that authorization.
4. Revocation of dissolution is effective upon the effective date of the articles of revocation of dissolution.
 5. When the revocation of dissolution is effective, it relates back to and takes effect as of the effective date of the dissolution as if the dissolution had never occurred.

PART B
ADMINISTRATIVE DISSOLUTION

Sec. 29. NEW SECTION. 490A.1311 GROUNDS FOR ADMINISTRATIVE DISSOLUTION.

The secretary of state may commence a proceeding under section 490A.1312 to administratively dissolve a limited liability company if any of the following apply:

1. The limited liability company has not delivered a biennial report to the secretary of state in a form that meets the requirements of section 490A.131, within sixty days after it is due, or has not paid the filing fee as determined by the secretary of state, within sixty days after it is due.
2. The limited liability company is without a registered office or registered agent in this state as required in subchapter V for sixty days or more.
3. The limited liability company does not notify the secretary of state within sixty days that its registered office or registered agent as required in subchapter V has been changed, its registered office has been discontinued, or that its registered agent has resigned.
4. The limited liability company's period of duration stated in its articles of organization expires.

Sec. 30. NEW SECTION. 490A.1312 PROCEDURE FOR AND EFFECT OF ADMINISTRATIVE DISSOLUTION.

1. If the secretary of state determines that one or more grounds exist under section 490A.1311 for dissolving a limited liability company, the secretary of state shall serve the limited liability company with written notice of the secretary of state's determination under section 490A.504.
2. If the limited liability company does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the secretary of state that each ground determined by the secretary of state does not exist within sixty days after service of the notice is perfected under section 490A.504, the secretary of state shall administratively dissolve the limited liability company by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The secretary of state shall file the original of the certificate and serve a copy on the limited liability company under section 490A.504.
3. A limited liability company administratively dissolved continues its existence but shall not carry on any business except that necessary to wind up and liquidate its business and affairs under part A of this subchapter and notify claimants under sections 490A.1306 and 490A.1307.
4. The administrative dissolution of a limited liability company does not terminate the authority of its registered agent as provided in subchapter V.
5. The secretary of state's administrative dissolution of a limited liability company pursuant to this section appoints the secretary of state the limited liability company's agent for service of process in any proceeding based on a cause of action which arose during the time the limited liability company was authorized to transact business in this state. Service of process on the

secretary of state under this subsection is service on the limited liability company. Upon receipt of process, the secretary of state shall serve a copy of the process on the limited liability company as provided in section 490A.504. This subsection does not preclude service on the limited liability company's registered agent, if any.

Sec. 31. NEW SECTION. 490A.1313 REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION.

1. A limited liability company administratively dissolved under section 490A.1312 may apply to the secretary of state for reinstatement at any time after the effective date of dissolution. The application must meet all of the following requirements:

a. Recite the name of the limited liability company at its date of dissolution and the effective date of its administrative dissolution.

b. State that the ground or grounds for dissolution as provided in section 490A.1311 have been eliminated.

c. If the application is received more than five years after the effective date of the administrative dissolution, state a name that satisfies the requirements of section 490A.401.

d. State the federal tax identification number of the limited liability company.

2. a. The secretary of state shall refer the federal tax identification number contained in the application for reinstatement to the department of revenue. The department of revenue shall report to the secretary of state the tax status of the limited liability company. If the department reports to the secretary of state that a filing delinquency or liability exists against the limited liability company, the secretary of state shall not cancel the certificate of dissolution until the filing delinquency or liability is satisfied.

b. If the secretary of state determines that the application contains the information required by subsection 1, and that a delinquency or liability reported pursuant to paragraph "a" of this subsection has been satisfied, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the original of the certificate, and serve a copy on the limited liability company under section 490A.504. If the limited liability company's name in subsection 1, paragraph "c", is different than the name in subsection 1, paragraph "a", the certificate of reinstatement shall constitute an amendment to the limited liability company's articles of organization insofar as it pertains to its name. A limited liability company shall not relinquish the right to retain its name as provided in section 490A.401, if the reinstatement is effective within five years of the effective date of the limited liability company's dissolution.

3. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution as if the administrative dissolution had never occurred.

Sec. 32. NEW SECTION. 490A.1314 APPEAL FROM DENIAL OF REINSTATEMENT.

1. If the secretary of state denies a limited liability company's application for reinstatement following administrative dissolution pursuant to section 490A.1312, the secretary of state shall serve the limited liability company under section 490A.504 with a written notice that explains the reason or reasons for denial.

2. The limited liability company may appeal the denial of reinstatement to the district court within thirty days after service of the notice of denial is perfected. The limited liability company appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the secretary of state's certificate of dissolution, the limited liability company's application for reinstatement, and the secretary of state's notice of denial.

3. The court may summarily order the secretary of state to reinstate the dissolved limited liability company or may take other action the court considers appropriate.

4. The court's final decision may be appealed as in other civil proceedings.

Sec. 33. Section 490A.1401, Code 2005, is amended to read as follows:
490A.1401 LAW GOVERNING.

The law of the state or other jurisdiction under which a foreign limited liability company is

formed governs its formation and internal affairs and the liability of its members and managers. A foreign limited liability company shall not be denied ~~registration a certificate of authority~~ by reason of any difference between those laws and the laws of this state. A foreign limited liability company holding a valid ~~registration certificate of authority~~ in this state shall have no greater rights and privileges than a domestic limited liability company. The ~~registration certificate of authority~~ shall not be deemed to authorize the foreign limited liability company to exercise any of its powers or purposes that a domestic limited liability company is forbidden by law to exercise in this state.

Sec. 34. Section 490A.1402, Code 2005, is amended by striking the section and inserting in lieu thereof the following:

490A.1402 APPLICATION FOR CERTIFICATE OF AUTHORITY.

1. A foreign limited liability company may apply for a certificate of authority to transact business in this state by delivering an application to the secretary of state for filing. The application must set forth all of the following:

- a. The name of the foreign limited liability company or, if its name is unavailable for use in this state, a name that satisfies the requirements of section 490A.401.
- b. The name of the state or country under whose law it is organized.
- c. Its date of formation and period of duration.
- d. The street address of its principal office.
- e. The address of its registered office in this state and the name of its registered agent at that address as provided in subchapter V.

2. The foreign limited liability company shall deliver the completed application to the secretary of state, and also deliver to the secretary of state a certificate of existence or a document of similar import duly authenticated by the secretary of state or proper officer of the state or other jurisdiction of its formation which is dated no earlier than ninety days prior to the date the application is filed with the secretary of state.

Sec. 35. Section 490A.1404, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A certificate of ~~registration authority~~ shall not be issued to a foreign limited liability company unless the name of the limited liability company satisfies the requirements of section 490A.401. To obtain or maintain a certificate of ~~registration authority~~, the company shall comply with the following:

Sec. 36. Section 490A.1405, Code 2005, is amended to read as follows:

490A.1405 CHANGE AND AMENDMENT.

If any statement in the application for ~~registration a certificate of authority~~ of a foreign limited liability company was false when made or any arrangements or other facts described have changed, making the application inaccurate in any respect, the foreign limited liability company shall promptly deliver to the secretary of state for filing articles of correction correcting such statement as required by section 490A.123.

Sec. 37. Section 490A.1406, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. That the foreign limited liability company is not transacting business in this state and that it surrenders its ~~registration certificate of authority~~ to transact business in this state.

Sec. 38. Section 490A.1406, subsection 2, Code 2005, is amended to read as follows:

2. The certificate of ~~registration authority~~ shall be canceled upon the filing of the certificate of cancellation by the secretary of state.

Sec. 39. Section 490A.1410, subsection 1, paragraph a, Code 2005, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (5) Deliver for filing to the secretary of state a biennial report as required by section 490A.131.

Sec. 40. Section 490A.1410, subsection 2, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A certificate of ~~registration~~ authority of a foreign limited liability company shall not be revoked by the secretary of state, unless both of the following apply:

DIVISION IV
TRADITIONAL COOPERATIVES

Sec. 41. Section 499.78, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

An association administratively dissolved under section 499.77 may apply to the secretary of state for reinstatement ~~within two years~~ at any time after the effective date of dissolution. The application must meet all of the following requirements:

DIVISION V
CLOSED COOPERATIVES

Sec. 42. Section 501.104, Code 2005, is amended to read as follows:

501.104 NAME.

The name of a cooperative organized under this chapter must comply with all of the following:

1. The name must contain the word “cooperative”, “coop”, or “co-op”, ~~and the~~.
2. The name must be distinguishable from the names all of the following:
 - a. The name of cooperatives a cooperative organized under this chapter or,
 - b. The name of a cooperative or cooperative association organized under another chapter, including chapter 497, 498, 499, or 501A.
 - c. The name of a foreign cooperatives cooperative, cooperative association, or corporation authorized to do business in this state, including as provided in section 499.54 or section 501A.221.
 - d. The name of a cooperative which has been administratively dissolved pursuant to section 501.812 for a period of less than five years from the effective date of the dissolution.

Sec. 43. Section 501.813, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A cooperative administratively dissolved under section 501.812 may apply to the secretary of state for reinstatement ~~within two years~~ at any time after the effective date of dissolution. The application must meet all of the following requirements:

Sec. 44. Section 501.813, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. ~~State~~ If the application is received more than five years after the effective date of the cooperative's dissolution, state a name that satisfies the requirements of section 501.104.

Sec. 45. Section 501.813, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. (1) If the secretary of state determines that the application contains the information required by subsection 1, and that a delinquency or liability reported pursuant to paragraph “a” has been satisfied, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state’s determination and the effective date of reinstatement, file the ~~original of the certificate document~~, and ~~serve deliver~~ a copy ~~on to~~ the cooperative under section 501.106.

(2) If the name of the cooperative as provided in subsection 1, paragraph “c”, is different than the name in subsection 1, paragraph “a”, the certificate of reinstatement shall constitute an amendment to the articles of association insofar as it pertains to the name. A cooperative

shall not relinquish the right to retain its name if the reinstatement is effective within five years of the effective date of the cooperative's dissolution.

DIVISION VI
NONPROFIT CORPORATIONS

Sec. 46. Section 504.401, subsection 2, paragraph b, Code Supplement 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

b. A name reserved, registered, or protected as follows:

- (1) For a limited liability partnership, section 486A.1001 or 486A.1002.
- (2) For a limited partnership, section 488.108, 488.109, or 488.810.
- (3) For a business corporation, section 490.401, 490.402, 490.403, or 490.1422.
- (4) For a limited liability company, section 490A.401, 490A.402, or 490A.1313.
- (5) For a nonprofit corporation, this section or section 504.402, 504.403, or 504.1423.

Sec. 47. Section 504.403, subsection 1, paragraph b, Code Supplement 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

b. A name reserved, registered, or protected as follows:

- (1) For a limited liability partnership, section 486A.1001 or 486A.1002.
- (2) For a limited partnership, section 488.108, 488.109, or 488.810.
- (3) For a business corporation, section 490.401, 490.402, 490.403, or 490.1422.
- (4) For a limited liability company, section 490A.401, 490A.402, or 490A.1313.
- (5) For a nonprofit corporation, this section or section 501.401, 501.402, or 504.1423.

Sec. 48. Section 504.702, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Except as provided in the articles or bylaws of a ~~religious~~ corporation, if the holders of at least five percent of the voting power of any corporation sign, date, and deliver to any corporate officer one or more written demands for the meeting describing the purpose for which it is to be held. Unless otherwise provided in the articles of incorporation, a written demand for a special meeting may be revoked by a writing to that effect received by the corporation prior to the receipt by the corporation of demands sufficient in number to require the holding of a special meeting.

Sec. 49. Section 504.808, subsection 10, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The articles or bylaws of a ~~religious~~ corporation may do both of the following:

Sec. 50. Section 504.901, Code Supplement 2005, is amended to read as follows:
504.901 PERSONAL LIABILITY.

1. Except as otherwise provided in this chapter, a director, officer, employee, or member of a corporation is not liable for the corporation's debts or obligations and a director, officer, member, or other volunteer is not personally liable in that capacity to any person for any action taken or failure to take any action in the discharge of the person's duties except liability for any of the following:

- ~~1.~~ a. The amount of any financial benefit to which the person is not entitled.
- ~~2.~~ b. An intentional infliction of harm on the corporation or the members.
- ~~3.~~ c. A violation of section 504.835.
- ~~4.~~ d. An intentional violation of criminal law.

2. A provision set forth in the articles of incorporation eliminating or limiting the liability of a director to the corporation or its members for money damages for any action taken, or any failure to take any action, pursuant to section 504.202, subsection 2, paragraph "d", shall not affect the applicability of this section.

Sec. 51. Section 504.1001, Code 2005, is amended to read as follows:
504.1001 AUTHORITY TO AMEND.

A corporation may amend its articles of incorporation at any time to add or change a provision that is required or permitted in the articles as of the effective date of the amendment or to delete a provision that is not required to be contained in the articles of incorporation. ~~Whether a provision is required or permitted in the articles is determined as of the effective date of the amendment.~~

Sec. 52. Section 504.1002, subsection 1, Code 2005, is amended to read as follows:

1. Unless the articles of incorporation provide otherwise, a corporation's board of directors may adopt ~~one or more~~ amendments to the corporation's articles of incorporation without member approval ~~to do for~~ any of the following purposes:

- a. ~~Extend~~ To extend the duration of the corporation if it was incorporated at a time when limited duration was required by law.
- b. ~~Delete~~ To delete the names and addresses of the initial directors.
- c. ~~Delete~~ To delete the name and address of the initial registered agent or registered office, if a statement of change is on file with the secretary of state.
- d. ~~Change~~ To change the corporate name by substituting the word "corporation", "incorporated", "company", "limited", or the abbreviation "corp.", "inc.", "co.", or "Ltd.", for a similar word or abbreviation in the name, or by adding, deleting, or changing a geographical attribution to the name.
- e. ~~Make~~ To make any other change expressly permitted by this subchapter to be made by director action.

Sec. 53. Section 504.1005, unnumbered paragraph 1, Code 2005, is amended to read as follows:

~~A~~ After an amendment to the articles of incorporation has been adopted and approved in the manner required by this chapter and by the articles of incorporation or bylaws, the corporation amending its articles shall deliver to the secretary of state, for filing, articles of amendment setting forth:

Sec. 54. Section 504.1005, subsections 4 and 5, Code 2005, are amended to read as follows:

4. If approval by members was not required, ~~a statement to that effect and~~ a statement that the amendment was duly approved by a sufficient vote of the incorporators or by the board of directors or incorporators, as the case may be, and that member approval was not required.

5. If approval by members was required, ~~both of the following:~~

- a. ~~The designation, number of memberships outstanding, number of votes entitled to be cast by each class entitled to vote separately on the amendment, and number of votes of each class indisputably voting on the amendment.~~
- b. ~~Either the total number of votes cast for and against the amendment by each class entitled to vote separately on the amendment or the total number of undisputed votes cast for the amendment by each class and a statement that the number of votes cast for the amendment by each class was sufficient for approval by that class~~ duly approved by the members in the manner required by this chapter, the articles of incorporation, and bylaws.

Sec. 55. Section 504.1006, Code 2005, is amended to read as follows:
504.1006 RESTATED ARTICLES OF INCORPORATION.

1. A corporation's board of directors may restate the corporation's articles of incorporation at any time with or without approval by members or any other person, to consolidate all amendments into a single document.

2. The restatement may If the restated articles include one or more new amendments to the articles. If the restatement includes an amendment requiring that require approval by the members or any other person, it the amendments must be adopted as provided in section 504.1003.

3. If the restatement includes an amendment requiring approval by members, the board must submit the restatement to the members for their approval.

4. If the board seeks to have the restatement approved by the members at a membership meeting, the corporation shall notify each of its members of the proposed membership meeting in writing in accordance with section 504.705. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the proposed restatement and must contain or be accompanied by a copy or summary of the restatement that identifies any amendments or other changes the restatement would make in the articles.

5. If the board seeks to have the restatement approved by the members by written ballot or written consent, the material soliciting the approval shall contain or be accompanied by a copy or summary of the restatement that identifies any amendments or other changes the restatement would make in the articles.

6. A restatement requiring approval by the members must be approved by the same vote as an amendment to articles under section 504.1003.

7. ~~3.~~ If the restatement includes an amendment requiring approval pursuant to section 504.1031, the board must submit the restatement for such approval.

8. ~~4.~~ A corporation restating that restates its articles of incorporation shall deliver to the secretary of state for filing articles of restatement setting forth the name of the corporation and the text of the restated articles of incorporation together with a certificate setting forth all of the following:

a. Whether the restatement contains an amendment to the articles requiring approval by the members or any other person other than the board of directors and, if it does not, that the board of directors adopted the restatement.

b. If the restatement contains an amendment to the articles requiring approval by the members, the information required by section 504.1005.

c. If the restatement contains an amendment to the articles requiring approval by a person whose approval is required pursuant to section 504.1031, a statement that such approval was obtained stating that the restated articles consolidate all amendments into a single document. If a new amendment is included in the restated articles, the corporation shall include the statement required in section 504.1005.

9. ~~5.~~ Duly adopted restated articles of incorporation supersede the original articles of incorporation and all amendments to the original articles of incorporation.

10. ~~6.~~ The secretary of state may certify restated articles of incorporation as the articles of incorporation currently in effect without including the certificate information required by subsection ~~§ 4.~~

Sec. 56. Section 504.1007, subsection 1, Code 2005, is amended to read as follows:

1. A corporation's articles may be amended without board approval or approval by the members or approval required pursuant to section 504.1031 to carry out a plan of reorganization ordered or decreed by a court of competent jurisdiction under ~~federal statute if the articles after amendment contain only provisions required or permitted by section 504.202~~ the authority of law of the United States.

Sec. 57. Section 504.1008, Code Supplement 2005, is amended to read as follows:

504.1008 EFFECT OF AMENDMENT AND RESTATEMENT.

An amendment to the articles of incorporation does not affect a cause of action existing against or in favor of the corporation, a proceeding to which the corporation is a party, any requirement or limitation imposed upon the corporation, or any property held by it by virtue of any trust upon which such property is held by the corporation, or the existing rights of persons other than members of the corporation. An amendment changing a corporation's name does not abate a proceeding brought by or against the corporation in its former name.

Sec. 58. Section 504.1423, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A corporation administratively dissolved under section 504.1422 may apply to the secretary

of state for reinstatement ~~within two years~~ at any time after the effective date of dissolution. The application must state all of the following:

Sec. 59. Section 504.1423, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. ~~That~~ If the application is received more than five years after the effective date of dissolution, state the corporation's name satisfies the requirements of section 504.401.

Sec. 60. Section 504.1423, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. (1) If the secretary of state determines that the application contains the information required by subsection 1, that a delinquency or liability reported pursuant to paragraph "a" has been satisfied, and that all of the application information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement reciting that determination and the effective date of reinstatement, file the ~~original of the certificate document~~, and ~~serve deliver~~ a copy ~~on~~ to the corporation under section 504.504.

(2) If the corporate name in subsection 1, paragraph "c", is different from the corporate name in subsection 1, paragraph "a", the certificate of reinstatement shall constitute an amendment to the articles of incorporation insofar as it pertains to the corporate name. A corporation shall not relinquish the right to retain its corporate name if the reinstatement is effective within five years of the effective date of the corporation's dissolution.

Sec. 61. Section 504.1506, subsection 2, paragraph b, Code Supplement 2005, is amended to read as follows:

b. A corporate name reserved, ~~or registered under,~~ or protected as provided in section 490.402 or 490.403 or section 504.402 or 504.403.

Sec. 62. NEW SECTION. 504.1607 EXCEPTION TO NOTICE REQUIREMENT.

1. Whenever notice is required to be given under any provision of this chapter to any member, such notice shall not be required to be given if notice of two consecutive annual meetings, and all notices of meetings during the period between such two consecutive annual meetings, have been sent to the member at the member's address as shown on the records of the corporation and have been returned as undeliverable.

2. If the member delivers to the corporation a written notice setting forth the member's then-current address, the requirement that notice be given to the member shall be reinstated.

Approved April 26, 2006

CHAPTER 1090REGULATION OF MANUFACTURED,
MODULAR, AND MOBILE HOMES

S.F. 2394

AN ACT relating to manufactured or mobile home regulation, and including fee, penalty, and effective date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION IV
MANUFACTURED AND MOBILE HOME REGULATIONSection 1. NEW SECTION. 103A.51 DEFINITIONS.

As used in this division, unless the context otherwise requires:

1. "Ground anchoring system" means any device or combination of devices used to securely anchor a manufactured or mobile home to the ground.
2. "Ground support system" means any device or combination of devices placed beneath a manufactured or mobile home and used to provide support.
3. "Home" means a manufactured home, mobile home, or modular home.
4. "Manufactured home" means a factory-built structure built under the authority of 42 U.S.C. § 5403, that is required by federal law to display a seal required by the United States department of housing and urban development, and was constructed on or after June 15, 1976.
5. "Manufactured or mobile home distributor" means a person who sells or distributes manufactured or mobile homes to manufactured or mobile home retailers.
6. "Manufactured or mobile home manufacturer" means a person engaged in the business of fabricating or assembling manufactured or mobile homes.
7. "Manufactured or mobile home retailer" means a person who, for a commission or other thing of value, sells, exchanges, or offers or attempts to negotiate a sale or exchange of an interest in a home or who is engaged wholly or in part in the business of selling homes, whether or not the homes are owned by the retailer. "Manufactured or mobile home retailer" does not include any of the following:
 - a. A receiver, trustee, administrator, executor, guardian, attorney, or other person appointed by or acting under the judgment or order of a court to transfer an interest in a home.
 - b. A person transferring a home registered in the person's name and used for personal, family, or household purposes, if the transfer is an occasional sale and is not part of the business of the transferor.
 - c. A person who transfers an interest in a home only as an incident to engaging in the business of financing new or used homes.
 - d. A person who exclusively sells modular homes.
8. "Mobile home" means a structure, transportable in one or more sections, which exceeds eight feet in width and thirty-two feet in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to one or more utilities. A "mobile home" is not built to a mandatory building code, contains no state or federal seals, and was built before June 15, 1976.
9. "Modular home" means a factory-built structure which is manufactured to be used as a place of human habitation, is constructed to comply with the Iowa state building code for modular factory-built structures, as adopted pursuant to section 103A.7, and displays a seal issued by the commissioner.
10. "New home" means a home that has not been sold at retail.
11. "Permanent site" means any lot or parcel of land on which a manufactured or mobile home used as a dwelling or place of business is located for ninety consecutive days, except a